GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1494
ANSWERED ON:24.11.2016
Promotion of Indegenously Made Electrical Equipments
Tadas Shri Ramdas Chandrabhanji

Will the Minister of POWER be pleased to state:

(a) whether the Union Government proposes to review the import duty to promote indigenous companies in power generation sector, if so, the details thereof;

(b) whether the Government proposes to ban import of electrical equipments from China; and

(c) if so, the details thereof along with the names of the countries from where electrical equipments are being imported?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) : No, Madam.

In order to compensate the disadvantages suffered by the domestic power equipment manufacturing industry on account of higher interest rates, local taxes and infrastructural inadequacies and to create a level playing field to the domestic power equipment manufacturing industry vis-Ã -vis foreign vendors and promote self-sufficiency in this vital sector, Government imposed Custom Duty @ 5%, CVD @ 12% (as applicable and equal to excise duty on domestic industry from time to time) & SAD @ 4% to be uniformly applicable to the imported equipments of all categories of power generation projects. Government approved the proposal on 19.07.2012 and Department of Revenue notified the same on 10.09.2012. Thus, all new power projects will have to pay duty for imported equipments.

(b) & (c) : The levying of above mentioned import duty is not country specific and import of power equipments from any country, including that from China, would attract the same duty.

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